

REPORT NO

CD NO.

25X1A

Hungary/Poland/Czechoslovakia/Romania/
China

DATE DISTR. 4 MAR 1953

Trade Agreements Among Satellite Countries and Between Hungary and China

NO. OF PAGES 2

25X1A

NO. OF ENCLS.
(LISTED BELOW)

SUPPLEMENT TO
REPORT NO.

DATE
ACQUIRED BY SOURCE

DATE OF INFORMATION

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1. Q. List any commodities that are traded between Hungary and the other countries of the Soviet orbit, giving quantities wherever such are known.
 - A. Hungary imports machinery from Czechoslovakia; she also imports some from Poland and also a lesser quantity from East Germany. She imports salt from Rumania.
2. Q. What are the future trade plans of Hungary?
 - A. The most important future trade plans of Hungary are the following: starting in 1954 Hungary will import from Czechoslovakia electric current at the rate of one half billion kw hours during the first two years and doubling the quantity later. This electrical current will be generated in Czechoslovakia not far from the electrical plants in Moravska Ostrava. This current is produced from coal, but Czechoslovakia has a big-scale hydraulic generating plant program, including six hydraulic plants in Bohemia on the River Vltava and eight power plants in Slovakia along the River Vach. After the hydraulic plants are erected in Slovakia the whole current export for Hungary will be produced in Slovakia, which is a reasonable distance from Hungary.

Two or three years later Hungary will import salt and natural gas on a big scale from Rumania. These natural gas regions are located in Transylvania, about 250 miles from the Hungarian border. The pipe line erection began in late 1951.

The Hungarian industries try to get machinery for the cement industry from both Czechoslovakia and Rumania. These negotiations as of 1951 were only in the early stages. The interested firms were SKODA in Czechoslovakia and a Rumanian firm, named Malaxa, which has just begun to build rotating kilns.

Hungary imports large quantities of machinery from East Germany, especially boilers, tool machinery, and drills and tubes for the exploitation of bauxite and oil. There was an agreement made with East Germany two years ago for delivering big boilers. Later it became known that the East German firms had ordered the tubes and high pressure drums for these boilers in West Germany. Because of the stringent embargo these plans failed. Therefore, in January 1952 as a result of negotiations carried on in Prague, the East German firms could complete the boilers

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only if they could receive the necessary drums and tubes from Czechoslovakia. Hungary pays for all the imports with raw materials, especially with food.

A big part of the machinery which Hungary gets from Czechoslovakia is paid for partly with bauxite and partly with sunflower oil which is a very important export commodity for Hungary. There are Czechoslovakia employees in Hungary who collect the sunflower on the farms and transport it to Czechoslovakia, because Czechoslovakia has a very well developed oil industry and very good refineries.

In 1951 negotiations began in Budapest with China. China will export to Hungary rare metal ores, especially tungsten, nickel, cobalt, molybdenum and chromium. The smelting and refining will be done in Hungary. During the negotiations the China representatives were very much interested in obtaining from Hungary experts for the exploitation of their bauxite treasure and in erecting power stations and aluminum plants.

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